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C O N F I D E N T I A L SECTION 01 OF 02 LAGOS 001420

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TAGS: [PREL](#) [PGOV](#) [KDEM](#) [NI](#)
SUBJECT: POLITICAL INSIDER ARGUES YAR'ADUA IS LIKELY PDP
CANDIDATE

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Classified By: Consul General Brian L. Browne for reasons 1.4 (b and d)

11. (C) Summary: In a December 10 conversation with Consul General, United Bank of Africa (UBA) Managing Director (MD) Tony Elumelu evaluated People's Democratic Party (PDP) presidential frontrunners. Elumelu suggested Katsina Governor Yar'Adua was President Obasanjo's favorite. Yar'Adua, who had been reluctant to campaign overtly, has gained Obasanjo's trust ahead of more visible and vocal contenders such as Rivers Governor Peter Odili. Elumelu saw the Vice Presidency going to a candidate from the South-East, with some political and economic concessions needed to appease the South-South. The main challenge facing the PDP may no longer be identity of the presidential nominee but how to keep the corps of unsuccessful would-be kings loyal to the PDP banner once a nominee is selected. End summary.

12. (C) In a December 10 conversation with Consul General, United Bank of Africa (UBA) Managing Director (MD) Tony Elumelu evaluated People's Democratic Party (PDP) presidential frontrunners. Elumelu, a friend of Katsina State Governor Yar'Adua, assessed Yar'Adua had emerged as President Obasanjo's favorite. Leading contenders had miscalculated their closeness with Obasanjo and campaigned too aggressively, too early, Elumelu argued. An example of this was Peter Odili, who parcelled out at least 250 million naira to party officials and traditional rulers in every state he visited. President Obasanjo also had soured on Odili because he suspected the governor acted mendaciously during the President's bid for a third term, according to Elumelu. While Odili publicly supported the third term, he privately helped finance and buttress third term opponents, Elumelu explained. Obasanjo has now decided to repay Odili's duplicity with a show of hardball politics. On December 9, the EFCC froze all Rivers State Government accounts and detained several officials with access to those accounts. This not only sent a signal of displeasure but it crippled Odili's ability to deploy government funds to advance his campaign. Also, the EFCC began investigating Arik Airlines; that Odili owns the operation is an open secret.

13. (C) Despite his warts and shortcomings, Obasanjo has been more discriminating in selecting a successor than many of the candidates thought. Many thought they could buy Obasanjo's support with funds or flattery. Neither has worked, Elumelu declared. Obasanjo actually was seeking a candidate with a good performance record and personal integrity. In addition, Obasanjo sought someone who would respond to his influence

after attaining the presidency, the bank executive posited.

14. (C) Yar'Adua seemed to fit the bill, said Elumelu. Yar'Adua's temperament has put Obasanjo at ease. His reluctance to enter the campaign vaguely mirrors Obasanjo's own experience, in which he was drafted by political insiders to run for president. Of all the governors running for the presidency, Yar'Adua's name has the most national appeal, Elumelu added. Significantly for Obasanjo, a Yar'Adua candidacy would undermine Vice-President (VP) Atiku since the Governor's older brother was the VP's political mentor. Atiku would have a difficult time fighting the brother of the man who gave him his start, Elumelu opined.

15. (C) Elumelu revealed that President Obasanjo was actually the one who told Yar'Adua to submit the PDP presidential nomination form. Realizing Yar'Adua was favored by Obasanjo, presidential insiders have since followed suit by throwing their support to the Katsina governor.

Other Contenders

16. (C) Kaduna State Governor Alhaji Makarfi initially had backing from presidential insiders including Andy Uba, Elumelu recounted. However, Makarfi misplayed his hand by actively campaigning too early. Uba pulled his support once he noticed Obasanjo's growing comfort with Yar'Adua. Elumelu recounted a recent meeting with Obasanjo where the president trashed the suggestion of either Rivers State Governor Peter Odili or Federal Capital Territory (FCT) Administrator Mohammed El-Rufai as PDP presidential candidates by exclaiming, "Do I look like a fool?" when asked if he would support either. Both men were seen as too ambitious to be trusted, said Elumelu. He predicted Yar'Adua would gain momentum as more state PDP chapters fell in line with presidential inclinations. By the presidential primaries

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scheduled for December 16, it might be a smooth nomination for the soft-spoken aspirant, Elumelu observed.

Maintaining Unity in the PDP

17. (C) After the presidential primaries, the major challenge would be keeping the PDP from splintering, stated Elumelu. This week Yar'Adua is headed to see fellow contenders Imo State Governor Chief Udenwa, Akwa Ibom Governor Victor Attah and Cross River Governor Donald Duke. The three candidates are likely to be eliminated by the party screening process even before the convention. Yar'Adua wanted to meet with them to assuage their bruised feelings and possibly offer them a future role in his government in return for party unity, Elumelu continued.

Filling the VP Slot

18. (C) Elumelu, an Igbo from Delta State in the South-South, opined that the VP's slot would go to the South-East. To maintain political equilibrium, South-South states would be given more revenue from oil production and might also get the Senate presidency. The VP ticket, Elumelu predicted, would go to one of two people from Anambra State: Andy Uba, the Anambra PDP gubernatorial nominee, or Charles Soludo, Central Bank of Nigeria (CBN) Governor. Of the two, Elumelu felt that Soludo was the better choice but that Uba had the greater likelihood.

19. (C) Politically ambitious yet restrained, Soludo enjoys a close relationship with Obasanjo. Soludo is also buoyed by a good measure of popularity, which would assuage the

South-East to some degree, felt Elumelu. A folk hero in business circles, Soludo would lend legitimacy as he would represent continuity in economic reform. The difficulty with Soludo's rise, warned Elumelu, would be manoeuvring past Andy Uba. To this end, Elumelu said, a senior delegation of PDP luminaries planned to visit President Obasanjo this week to raise the Soludo solution.

¶10. (C) Elumelu discounted other potential VP contenders. Cross River Governor Donald Duke, although an attractive, able candidate, hails from too small a state and an even smaller ethnic group. Victor Attah, a native of the South-South, is too old. Odili is seen as too ambitious to serve temperately as second in command. Elumelu argued that none of the Igbo governors of the South-East would be effective.

Comment

¶11. (C) Comment: Elumelu's comments reveal a convoluted selection process that nonetheless appears to be moving in Yar'Adua's direction. However, several factors remain obstacles to this outcome. Atiku and other Obasanjo oppositionists, such as former NSA Aliyu Gusau, will try to complicate Obasanjo's plans for the December 16 convention. Similarly unpredictable may be other Governors such as Odili and Makarfi, who have been Obasanjo loyalists in hopes that their loyalty would win them the grail. Now that they see the distance growing between them and what they covet, will they remain loyal or pursue their political fortunes elsewhere? Obasanjo's, and soon Yar'Adua's, ability to keep a menagerie of disparate personalities and factions in check will be severely tested. End comment.

BROWNE